

ROUTING AND TRANSMITTAL SLIP		Date
TO: (Name, office symbol, room number, building, Agency/Post)		Initials
1. <i>EO/ODA</i>		<i>[Signature]</i> 8 JUL 1983
2.		
3. <i>TCO-PSM</i>		<i>[Signature]</i> 17 Jul
4.		
5.		
Action		Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

REMARKS

*B.A. - Pl send cc to D/OIS,  
D/OF + Comptroller*



*[Signature]*  
14 JUL 1983  
*B.A.*

DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post)

Room No.—Bldg.

Phone No.

STAT

STAT



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

DD/A Registry

83-1735/1

JUL 5 1983

## MEMORANDUM FOR THE PRIVACY POINTS OF CONTACT

FROM:

*John P. McNicholas*  
John P. McNicholas  
Chief, Information Policy Branch  
Office of Information and  
Regulatory Affairs

100-13

SUBJECT: Meeting the Publication Requirements in the  
Debt Collection Act

The Debt Collection Act of 1982 amends the Privacy Act of 1974 to provide a new general disclosure authority: section (b)(12). This section permits agencies to disclose from certain of their systems of records information about borrowers who are in default. Disclosures can only be made to credit bureaus.

Before any disclosures may be made, agencies must go through a series of due process steps intended to validate the nature of the claim and to give the individual the opportunity to resolve the claim.

One of those due process steps requires agencies to publish a notice in the Federal Register for each system from which they intend to disclose debtor information. The advice we gave in paragraph 3a(1) of our Debt Collection Act Guidelines (copy attached) on how to meet this publication requirement explained the intent of the Congress as expressed in the House Report on the Debt Collection Act.

You may be getting questions soon from your program people on what they need to do to meet this requirement. You should advise them:

- To provide you with a list of the systems from which they may wish to make disclosures pursuant to (b)(12). Remind them that the Congress intended to limit this provision to only those systems actively concerned with the establishment of the debt.
- That you will have to publish the full text of each system so identified; the Congress did not intend that the publication requirement be met merely by publishing a list of the systems.

- That there is no 30 day public comment period associated with this requirement. It is not a "routine use." Once the notice has been published, provided they have met all of the other due process steps, they may disclose under (b) (12).

Once you have identified all of the relevant systems, provide a copy of the full text of each notice to the Federal Register. At the bottom of the "routine use" section of the notice, insert wording similar to the following:

"Disclosures pursuant to 5 U.S.C. 552a(b) (12)

Disclosures may be made from this system to 'consumer reporting agencies' as defined in the Fair Credit Reporting Act (15 U.S.C. 1681a(f)) or the Debt Collection Act of 1982 (31 U.S.C. 3711(d) (4))."

If you have any questions about this requirement, contact Rob Veeder at 395-4814.

Attachment

cc: Privacy Project Officers